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PRESS RELEASE

GAM launches new sustainable climate bond strategy investing in bonds supporting environmental transition

New GAM strategy is one of the first to focus on green and sustainability bonds issued by European financials

GAM Investments today announced the launch of a new sustainable climate bond strategy, allocating to green and sustainability bonds with positive environmental impact, issued by the European financial sector. The strategy is the second to be launched this year, building the firm's sustainable product range.

The bond market for climate change solutions is worth more than USD 100 trillion and mobilising this capital is key to advancing the low-carbon transition. For this reason, GAM has also joined the Climate Bonds Initiative, whose purpose is to drive forward this process.

The launch of the sustainable climate bond strategy recognises the pivotal role banks, in particular, will play in the environmental transition as the primary source of financing for European corporates and for small and medium enterprises (SMEs). In the first half of 2021, green bond issuance by European banks reached USD 100 billion, driven by a record USD 33 billion in the first half of 2021 alone. Issuance is expected to remain strong, driven by banks' commitments to finance the 'green' economy.

The sustainable climate bond strategy will be managed by Atlanticomnium S.A., an independent Geneva-based fund management company, which has specialised in credit investing since it was founded in 1976 and has managed assets for GAM since 1985. The new strategy draws upon the team's experience and historical strong track record investing in the bonds of financials and their established history of analysing issuers, conducting close engagement and building deep relationships with issuers and regulators.

The strategy adopts an active, bottom-up, high-conviction approach, investing in bonds which allocate proceeds to eligible green projects across market caps with measurable impact, such as renewable energy and green buildings.

In order to identify bonds that the investment team believes will deliver meaningful impact, the team applies its proprietary green bond assessment framework. The framework is split into three layers of analysis – issuer, bond and green asset level – which are interwoven into the team's overarching, longstanding process. Each layer is assessed individually, using both proprietary research and data from external third parties. Engagement is also a key part of the team's framework, both to enhance their analysis and to encourage improving standards within each pillar.

The strategy has an average rating of BBB+. It is classified as Article 9 under SFDR and investors will receive an annual impact report, outlining the associated quantitative positive environmental benefit of their investment.

Gregoire Mivelaz, fund manager at Atlanticomnium, said, “Climate change is one of the largest and most pressing risks for the global economy and banks have a pivotal role in driving the environmental transition, by supporting both large and small companies. We believe that our expertise investing in financials and a robust bottom-up approach to green bond selection are key to generating a positive environmental impact for our investors.”

Stephanie Maier, Global Head of Sustainable and Impact Investment at GAM, said: “Asset and wealth managers control more than USD 110 trillion of capital and how these assets are managed will be key to whether or not we are able to achieve the shared global goal of net zero emissions by 2050 or sooner. We firmly believe asset managers need to be at the forefront in driving that change, and designing solutions to help clients navigate the low carbon transition. The sustainable climate bond strategy, is a compelling offering for investors seeking to generate both a meaningful environmental impact and attractive returns.”

Sean Kidney, CEO and Co-founder of the Climate Bonds Initiative, said: “We are pleased to welcome GAM to the Climate Bonds Initiative. Banks are playing a critical role in directing capital to projects across the markets driving the green transition and development of solutions like this one are imperative to help enable a rapid shift to a low carbon and climate resilient economy.”

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About GAM

GAM is a leading independent, pure-play asset manager. The company provides active investment solutions and products for institutions, financial intermediaries and private investors. The core investment business is complemented by private labelling services, which include management company and other support services to third-party asset managers. GAM employed 652 FTEs in 15 countries with investment centres in London, Cambridge, Zurich, Hong Kong, New York, Milan and Lugano as at 30 June 2021. The investment managers are supported by an extensive global distribution network. Headquartered in Zurich, GAM is listed on the SIX Swiss Exchange with the symbol ‘GAM’. The Group has AuM of CHF 126.0 billion¹ (USD 136.3 billion) as at 30 June 2021.

¹ Including CHF 22.8 billion of AuM (as at 30 June 2021) related to the redemption of a client which was communicated on 26 January 2021. The majority of AuM is expected to be transferred in the second half of 2021.

About Atlanticomnium S.A.

Atlanticomnium is an independent investment management company specialising in investing in corporate bonds. Atlanticomnium has actively managed bond portfolios since 1976, through the full spectrum of several economic and credit cycles. Atlanticomnium has 23 FTEs who are located in Geneva and London.

About the Climate Bonds Initiative

The Climate Bonds Initiative is an investor-focused not-for-profit, promoting large-scale investment for climate action.

Climate Bonds undertakes advocacy and outreach to inform and stimulate the market, provides policy models and government advice, market data and analysis, and administers an international Standard & Certification Scheme for best practice in green bonds issuance. For more information on the Climate Bonds Initiative, visit the website [here](#).

Important legal information

The information in this document is given for information purposes only and does not qualify as investment advice. Opinions and assessments contained in this document may change and reflect the point of view of GAM in the current economic environment. No liability shall be accepted for the accuracy and completeness of the information. Past performance is no indicator for the current or future development. All financial investments involve an element of risk. Therefore, the value of the investment and the income from it will vary and the initial investment amount cannot be guaranteed. There is no guarantee projections will be realised. Allocations and holdings are subject to change.